# Policy Recommendations on
# Japan-Australia Security Cooperation

The Eighth Japan-Australia Track 1.5 Dialogue,

co-hosted by the Japan Institute of International Affairs (JIIA)

and the Australian Strategic Policy Institute (ASPI),

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\* This policy recommendation was prepared by JIIA, based on the discussion of the above 1.5 Track Dialogue.

## Introduction

In June 2013, a group of security and regional experts discussed measures to enhance security cooperation between Japan and Australia at the Eighth Japan-Australia Track 1.5 Dialogue, co-hosted by the Japan Institute of International Affairs(JIIA) and the Australian Strategic Policy Institute(ASPI). The dialogue focused on three topics: 1) security trends and the environment surrounding Japan and Australia, 2) defence and security policy developments in Japan and Australia, and 3) Japan-Australia security and defence cooperation.

## 1. Security Trends and the Surrounding Environment

In recent years, the strategic environment has been changing in the Asia-Pacific and East Asia in particular. In terms of long-term security trends, there are three major uncertainties. The first is China's future, especially in terms of whether they can overcome the middle income trap and various other social problems to ensure its political stability. The second is the future of Japan:

Whether the current Japanese policies succeed or not will have major implications for the regional security environment. The third is how long and whether the US Asia-Pacific policy of rebalancing will continue.

Focusing on the short-term trends, we need to consider the following five points: 1) Japan-China relations, or more specifically China's growing expansion and assertiveness in the East China Sea and South China Sea, 2) the North Korean military's development of nuclear weapons and missiles, especially the nuclear tipped ICBM and their provocations toward South Korea and Japan, 3) the defense budget trend line, especially the US one, does shape countries' perspectives in the region and eventually produces an effect in the regional security environment, and 4) the US-Japan alliance and political and military cooperation there in dealing with China and North Korea, 5) objective assessments and cautious thinking about nuclear deterrence and conventional deterrence in the absence of crisis management systems in the East Asia Sea and South China Sea.

1)  China's attempts to change the status quo with the use of paramilitary forces in the East Asia and South China Sea pose serious risks and threats to regional security and stability. Japan should carefully observe China's growing expansion and assertiveness while enhancing cooperation with allies and like-minded partners, such as Australia, to enhance mutual understanding of the situation and, if necessary and feasible, security and defense cooperation in East Asia and the South China Sea.

2) North Korean nuclear/missile development may undermine U.S. credibility of extended deterrence and pose risks from North Korea's complacent actions. Japan and Australia should observe North Korean military

development and deal with their provocations toward our friends and allies, in cooperation with the US.

3) The defense budget trend line, especially the US one, shapes countries' perspectives and helps to ensure the stability of regional security. Japan and Australia, as important US allies, should carefully observe the US defense budget trend line and support, as much as possible, the US rebalancing policy toward Asia to ensure regional stability.

4) Japan and the US should fundamentally review the framework for defense cooperation and foster the process of re-examing the US-Japan Defense Guidelines of 1997. The Japan-US alliance has to deal with very different security challenges today including North Korean provocations and the possibility of North Korean collapse, China's growing expansion in the East China Sea and South China Sea, how to ensure assistance from the US, and new areas of cooperation such as deployed missile defense, space, and cyber security issues.

5) The US hub-and-spoke bilateral alliance system and its extended deterrence are increasingly challenged by North Korean provocations and military development of nuclear weapons and missiles, as well as China's growing assertiveness and steady expansion. As key US allies, Japan and Australia should ensure the US rebalancing to Asia including nuclear and conventional deterrence for the stability of regional security, while enhancing CBMs and cooperative multilateral security frameworks.

2.  Security and Defense Cooperation

Significant recent developments in Japan-Australia security and defense cooperation include active participation in international peace cooperation activities, intensifying defense exchange activities since the mid-1990s, including high-level exchanges and joint exercises, and also success in consolidating the framework for policy coordination and collaboration. The most recent of these are the 2+2 document "Japan-Australia Cooperating for Peace and Stability: Common Vision and Objectives", and the achievement of the Acquisition and Cross-Servicing Agreement (ACSA). Since the 2007 Joint Declaration on Security Cooperation, Japan-Australia security cooperation has shown positive developments.

Japan and Australia are natural strategic partners sharing common values, interests and strategic objectives ensuring long-lasting peace, stability and prosperity in the Asia-Pacific region and beyond. Japan and Australia should foster security and defense cooperation further for the following reasons.

1) Japan and Australia are maritime nations in the Asia-Pacific and like-minded partners sharing common values and interests including a commitment to liberal democracy, the rule of law and human rights, and can help maintain the open, liberal and rule-based international order.

2) As key US allies, Japan and Australia can actively and significantly work together mutually to support the US presence and capabilities in the region. Both Japan and Australia can play stabilizing and enabling roles in support of US global strategy and its rebalancing policy toward Asia (for protecting and ensuring access to the global commons and peace, stability and prosperity in the Asia-Pacific region).

3) Japan and Australia can work together in tackling regional and global security challenges. Japan-Australia cooperation encourages each other's (especially Japan's) larger and pro-active security roles for regional and global security.

In the changing regional and global security trends and environment, Japan-Australia Security and Defence Cooperation matters more and more. There is room for the two countries to strengthen their security and defence cooperation further.

1) Japan and Australia should implement the "Japan-Australia Joint Declaration on Security Cooperation" (+ "Major Elements of the Action Plan") and "Australia and Japan – Cooperating for peace and stability-Common Vision and Objectives"

2) Japan and Australia should utilize Japan-Australia "2+2" and the US-Japan-Australia TSD to facilitate policy coordination on Air Sea Battle(ASB), extended deterrence, dealing with North Korea and China

3) Japan and Australia need to enhance closer cooperation on maritime security to promote freedom of navigation(SLOCs in East China Sea & South China Sea and the Indo-Pacific), to strengthen amphibious capability, crisis-management mechanism, to promote CBM and COC to prevent incidents at sea and in air space above the seas, and to foster regional capacity-building to offer skills, training and operational techniques in South East Asia and the Pacific

4) Japan and Australia should encourage defense equipment, technology and industry cooperation (maritime systems including submarine related technologies, ASW, MD, UAV, etc.)

5) Japan and Australia should deepen intelligence-sharing (ISR), information and exchanges of strategic policy in support of strengthening interoperability; encourage sharing assessments and joint research on strategic issues, regional issues and demographic issues (the roles of female military officers and soldiers and/or foreign nationals, lessons that can be learned from Australia's experience and policy expertise in immigration policy)

6) Japan and Australia should broaden bilateral Army engagement including looking to opportunities of having a SDF land exercise in northern Australia

7) Facing new agendas such as cyber and space security, Japan and Australia should start faster cooperation on cyber security in the lead up to the international conference on cyber security in Seoul in October 2013

8) Japan and Australia should foster cooperation with India and Indonesia to support the US-Japan alliance as common public goods in the region

9) In the area of regional cooperation, Japan and Australia should encourage cooperation on regional security architecture building based on the ASEAN-centered institutions: ARF, EAS, ADMM Plus, etc.

10) Japan and Australia should work together on the wider global issues,

particularly multilateral exercises for non-traditional security issues (peace-keeping & peace-building activities, HA/DR, PSI, etc.)

11) Japan should establish a whole-of-government approach ("ALL JAPAN") to security issues (especially crisis-management and HA/DR) including JICA, Japan Coast Guard, NGO while maintaining the transparency of its national security policy by reiterating that the fundamental of Japan as a peaceful state remains unchanged.